

CNCO/MATSON

SLOT CHARTER AGREEMENT

FMC AGREEMENT NO. 201320

Expiration Date: None

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**ARTICLE 1. FULL NAME OF AGREEMENT**

The full name of this Agreement is the CNCO/MATSON West Coast North America/  
Pacific Islands Slot Charter Agreement ("Agreement").

**ARTICLE 2. PURPOSE OF THE AGREEMENT**

The purpose of this Agreement is to authorize CNCO to charter space to MATSON in the  
Trade (as hereinafter defined).

**ARTICLE 3. PARTIES TO THE AGREEMENT**

The parties to the Agreement (hereinafter "Party" or "Parties") are:

1. The China Navigation Co. Ptd. Ltd. ("CNCO")  
300 Beach Road #27-01  
The Concourse  
Singapore 199555
2. Matson Navigation Company, Inc. ("MATSON")  
1411 Sand Island Parkway  
Honolulu, HI 96819

**ARTICLE 4. GEOGRAPHIC SCOPE OF THE AGREEMENT**

The geographic scope of this Agreement is the trade between ports on the Pacific Coast of  
the United States and ports in American Samoa, Samoa, and Tahiti (the "Trade").

**ARTICLE 5. AGREEMENT AUTHORITY**

5.1 CNCO shall sell and MATSON shall purchase, on a used/not used basis, slots for  
89 TEUs (or a maximum of 1,246 metric tons) (including 19 reefer plugs) on certain vessels CNCO  
operates or on which CNCO has space in the Trade. Additional slots may be sold/purchased on  
an ad hoc basis. Such additional space must be requested prior to relevant vessel/cargo cutoffs and,  
once confirmed, shall be considered as reserved space and will be invoiced on a used or not basis.

5.2 The sale of slots under Article 5.1 shall be on such terms and such conditions as the

Parties may agree from time to time.

5.3 Except as provided by Article 5.4 infra, MATSON shall not sub-charter slots made available to it hereunder to any third party, except, with the prior written consent of CNCO. Any such third party must be a vessel operating carrier.

5.4 MATSON may always sub-charter Slots and/or reefer plugs to its vessel operating Affiliates (as may change from time to time) without the CNCO's prior consent.

(a) At the date of this Agreement, MATSON declares the following entities as its vessel operating Affiliates:

Matson South Pacific Limited

(b) Where MATSON sub-charters Slots and/or reefer plugs to an Affiliate:

(i) MATSON shall not permit the relevant Affiliate to subsequently sub-charter such Slots and/or reefer plugs to any other person without the prior written consent of the Slot Provider; and

(ii) MATSON shall terminate the sub-chartering arrangement immediately upon the sub-chartering party ceasing to be an Affiliate.

5.5 Each party is responsible for the port charges attributed to its own cargo, but are authorized to discuss and agree between themselves on their respective responsibilities for port charges assessed to CNCO as the vessel operator at island ports in the trade.

5.6 The Parties are authorized to discuss and agree upon routine operational and administrative matters including, but not limited to, procedures for allocating space, forecasting, stevedoring and terminal operations, recordkeeping, responsibility for loss, damage or injury (including provisions of bills of lading relating to same), the interchange of information and data



regarding all matters within the scope of this Agreement, terms and conditions for force majeure relief, insurance, guarantees, indemnification, and compliance with customs, safety, security, documentation, and other regulatory requirements.

5.7 Each Party shall retain its separate identity and shall have separate sales, pricing and marketing functions. Each Party shall issue its own bills of lading and handle its own claims.

5.8 The Parties shall collectively implement this Agreement by meetings, writings, or other communications between them or within committees established by them, and make such other arrangements as may be necessary or appropriate to effectuate the purposes and provisions of this Agreement.

#### **ARTICLE 6. AGREEMENT OFFICIALS AND DELEGATIONS OF AUTHORITY**

The following are authorized to subscribe to and file this Agreement and any accompanying materials and any subsequent modifications to this Agreement with the Federal Maritime Commission:

- (i) Any authorized officer of either party; and
- (ii) Legal counsel for either party.

#### **ARTICLE 7. VOTING**

Except as otherwise provided herein, all actions taken pursuant to this Agreement shall be by mutual agreement of the Parties.

#### **ARTICLE 8. DURATION AND TERMINATION OF AGREEMENT**

8.1 This Agreement shall be effective as of the date it becomes effective under the U.S. Shipping Act of 1984, codified at 46 U.S.C. § 40101 et seq.. It shall continue in effect indefinitely. Either Party may resign from this Agreement by giving not less than three (3) months advance written notice. Such notice of termination shall not be served prior to 9 months after the

Commencement Date.

8.2 Notwithstanding Article 8.1 above, either Party may by written notice summarily terminate this Agreement with immediate effect if:

- (a) the other Party breaches any term of this Agreement which is not capable of remedy or in the case of a breach capable of remedy, is not remedied within seven (7) days of a written notice from the innocent party specifying the breach and requiring its remedy;
- (b) the other Party (1) goes into insolvency or bankruptcy, whether compulsory or voluntary, or if an order is made or a resolution is passed for the winding up, or a receiver or administrator is appointed, or (ii) enters into any arrangement or composition with its creditors generally, or (iii) ceases to carry on business, or (iv) is unable to pay its debts when they fall due, or (v) becomes subject to other proceedings analogous in purpose or effect including, without limitation, the appointment of a receiver, trustee or liquidator for any such purpose).

#### **ARTICLE 9. GOVERNING LAW AND ARBITRATION**

9.1 The interpretation, construction and enforcement of this Agreement, and all rights and obligations between the Parties hereunder, shall be governed by the laws of England and Wales, provided, however, that nothing herein shall relieve the Parties from the applicable requirements of the U.S. Shipping Act of 1984.

9.2 Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in accordance with the Arbitration Act 1996 together with the LMAA (London Maritime Arbitrators Association) terms, save where the amount in dispute is less than USD

100,000, in which case the LMAA Small Claim Procedure shall apply.

9.3 Any disputes hereunder shall be submitted to a sole arbitrator acceptable to both Parties within 21 days of either Party seeking an appointment which arbitrator shall have appropriate commercial and consortia experience. In the event the Parties cannot agree on a sole arbitrator, the dispute shall be submitted to three arbitrators with each Party appointing its own arbitrator and the two so chosen appointing the third arbitrator who will act as chairman. The three arbitrators shall have appropriate commercial and consortia experience. The decision of a majority of the Panel shall be binding on both Parties. A Party wishing to submit a dispute to a panel of three arbitrators shall appoint its arbitrator and send notice to the other Party, requiring the other Party to appoint its arbitrator within twenty one (21) calendar days of the date of such notice, If the other Party does not appoint its arbitrator and give notice that it has done so within twenty one (21) days specified, the Party referring the dispute to arbitration may appoint the second arbitrator and shall notify the other party accordingly and the two arbitrators so chosen shall appoint the Chairman.

#### **ARTICLE 10. MISCELLANEOUS**

10.1 Except as provided in Article 5.4 supra, the Parties agree that neither Party hereto shall have the right to assign or transfer any of its rights or obligations hereunder without written consent of the other Party.

10.2 Nothing in this Agreement shall give rise to nor shall be construed as constituting a partnership for any purpose or extent. Except as the Parties may otherwise agree, neither Party shall be deemed the agent of the other for the purpose of this Agreement and/or for any matters or things done or not done under or in connection with this Agreement.



Any correspondence or notices hereunder shall be made by courier service or registered mail, or in the event expeditious notice is required, by email or by facsimile confirmed by courier or registered mail, to the following addresses:

<u>CNCO:</u>  The China Navigation Co. Pte. Ltd. Attn: Jeremy Sutton 300 Beach Road #27-01 The Concourse Singapore 199555 Email: jeremy.sutton@swirecnco.com	<u>MATSON:</u>  Matson Navigation Company, Inc. Attn: Vicente S. Angoco, Jr. 555 12 <sup>th</sup> Street Oakland, CA94607 Email: vangoco@matson.com
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**ARTICLE 11. SEVERABILITY**

Should any term or provision of this Agreement be held invalid, illegal or unenforceable, the remainder of the Agreement, and the application of such term or provisions to persons or circumstances other than those as to which it is invalid, illegal or unenforceable, shall not be affected thereby, and each term or provision of this Agreement shall be valid, legal and enforceable to the full extent permitted by law.

**ARTICLE 12. AMENDMENT**

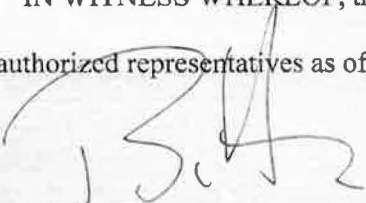
Any modification or amendment of this Agreement must be in writing and signed by both Parties and may not be implemented until filed with the FMC and effective under the U.S. Shipping Act of 1984, as amended.



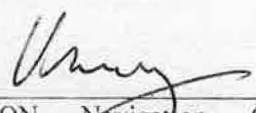
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**SIGNATURE PAGE**

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their  
duly authorized representatives as of this \_\_\_\_ day of \_\_\_\_\_ 2019.

  
\_\_\_\_\_  
The China Navigation Co. Pte. Ltd.

Name: Jerry S. Fung  
Title: General Manager.

  
\_\_\_\_\_  
MATSON Navigation Company, Inc.

Name: Vicente "Vic" Angoes  
Title: Senior VP, Pacific